

TALKING POINTS
DCI Senior Management Conference
30 November-1 December 1986

- Welcome to the sixth session of our Senior Management Conference.

- Happy to get this chance to talk about what has happened and what is likely to happen to affect our mission and our country's interests around the world.

- Feel very good about our community having worked together for six years more effectively than most of our government without any significant intelligence failures, no scandal and a good many solid successes.

- I should say a word about the current turmoil about Iran and support of the contras. I can assure you that we have followed the law meticulously in the tasks assigned to us in these matters. We had only a supporting, interpreting and analytical role in the Iranian undertaking and this was fully authorized by a Presidential Finding. [REDACTED]

[REDACTED] CIA and the rest of the Intelligence

Community have meticulously avoided any participation in support of the contras. Intelligence and defense agencies were specifically prohibited from any activity in support of military activity in Nicaragua and we were very careful in adhering to that restriction. Even Bob Woodward said Casey is clean this time.

- Any other part of the government was free to and I hope did help the contras. After all, the President believes it in the highest national interest to keep the Soviets from gaining strategic dominance in the Persian Gulf or from establishing a base for furthering subversion and military aggression on our doorstep.

- We are entering a period of continuing and increasing fiscal stringency while at the same time being called upon to handle a growing range of more complex intelligence missions.

- In recent months, major program managers have held more meetings together than ever before. For the first time we have, on a one-to-one basis, reviewed requirements and resource requests in a community context.

- We are making changes in the Intelligence Community Staff to strengthen the requirements and evaluation process to improve our understanding of priorities to more vigorously challenge and justify resource commitments and to search for savings with which to carry forward new initiatives.

- The challenges facing the Community must be met by judicious allocation and reallocation of resources. Many of the topics are on the agenda of this conference. As so much of our planning has demonstrated:

- The Soviet Union will continue to be the top priority intelligence target made increasingly complex by developments in data denial, technological modernization (mobile missiles, communications upgrades, etc.) and arms control initiatives.

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-- The non-traditional topics of recent years -- narcotics, terrorism, Third World instability -- will continue and increase in importance in all parts of the world.

- At this conference, we shall discuss other topics on which I believe that we must concentrate in 1987: support for theater commands, survivability, personnel issues, the impact of arms control proposals, and the difficult mission of relocatable targets.

- None of these is a new problem. In fact, we have been wrestling with some of them for a number of years. It is safe to say, though, that each one is increasing in intensity and critically, and that we must make a concerted effort to improve our collection and analysis on them.

- To cover all this territory effectively, we will have to both reach out and consolidate our efforts. We must encourage our people to reach out and create new approaches to new problems. At the same time, we need to consolidate and focus our proven performance on the highest priority tasks.

- I have in mind, for example, the mobile missile problem. Over the last three years we have had four or five major distinct and separate efforts on this problem. They've evolved a great amount of duplication, separate different groups plowing the same ground. The time has come to consolidate and focus our best talent in a coherent way. Larry Gershwin is going to talk to us about that.

- Another critical intelligence mission on which we need to focus our efforts better is SDI. We need more effective interaction between the Strategic Defense Initiative organization and the Intelligence Community. Also, the Intelligence Community needs to do a better and more aggressive job of contributing to public understanding of the threat represented by the enormous commitment which the Soviets have made to missile defense.

- We have broken some new ground in our personnel practices in the CIA. We have used the Director's special authorities to facilitate more effective use and advancement of highly qualified and talented people by introducing special pay scales in the communications and in the secretarial fields. I have announced to the Congress our intention to extend this kind of flexibility to other elements of the CIA work force and we are prepared to seek authorization to extend it to other elements of the Intelligence Community. [] will discuss our ideas on that with you.

- During this year that is coming to a close we have succeeded in establishing what I can assure you is the best counterterrorism capability in the world. It has already served as a model for improvements in counter-terrorist structure and in the modus operandi of []

[] Tomorrow, Dewey Clarridge will give you a rundown on how it has developed and how it works.

- On arms control, we face new challenges in the post-Reykjavik era. We have been tasked to support the JCS in their efforts to provide a plan which would permit the U.S. to safely transition to the President's proposed alternative future, as well as to develop a solid verification plan. Whether that is safely negotiable will take a lot of care and thought. In any event, we will have to review and evaluate our capability to monitor prospective treaties, the resource implications of the new capabilities that may be needed and, in particular, our role with respect to [] monitoring and inspection.

- This is an exciting menu for this off-site conference and I look forward to our exchange of ideas tomorrow.